

HOUSE BILL NO. 802

INTRODUCED BY A. OLSON

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING THE ANNUAL PERMIT SURCHARGE FEE FOR VIDEO GAMBLING MACHINES; AMENDING SECTION 23-5-612, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 23-5-612, MCA, is amended to read:

"23-5-612. Machine permits -- fees. (1) The department, upon payment by the operator of the ~~fees~~ fee provided in ~~subsections~~ subsection (2) ~~and (4)~~ and in conformance with rules adopted under this part, shall issue to the operator an annual permit for an approved video gambling machine.

(2) (a) The department shall charge an annual permit fee of \$220 for each video gambling machine permit. The fee must be prorated on a quarterly basis but may not be prorated to allow a permit to expire before June 30. The department may not grant a refund if the video gambling machine ceases operation before the permit expires.

(b) If the person holding the gambling operator's license for the premises in which the machine is located changes during the first quarter of the permit year and the new operator has received an operator's license and if a machine transfer processing fee of \$25 per machine is paid to the department, the permit remains valid for the remainder of the permit year.

(3) The department shall deposit \$120 of the annual permit fee or for a prorated fee shall deposit \$90 for three quarters, \$60 for two quarters, and \$30 for one quarter collected under subsection (2)(a) and 100% of the machine transfer processing fee collected under subsection (2)(b) in the state special revenue fund for purposes of administering this part and for other purposes provided by law. The balance of the fee collected under subsection (2)(a) must be returned on a quarterly basis to the local government jurisdiction in which the gambling machine is located. The local government portion of the fee is statutorily appropriated to the department, as provided in 17-7-502, for deposit in the local government treasury.

~~(4) (a) In addition to the annual permit fee charged under subsection (2), the department shall charge a \$10 annual permit surcharge fee for each video gambling machine that is on a licensed premises having fewer~~

1 ~~than 20 machines and a \$20 annual permit surcharge fee for each machine that is on a licensed premises~~
2 ~~having 20 machines. The annual permit surcharge fee must be prorated as provided in subsection (2)(a).~~
3 ~~—— (b) The annual permit surcharge fee charged under subsection (4)(a) must be deposited in the state~~
4 ~~general fund."~~

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6 **NEW SECTION. Section 2. Effective date.** [This act] is effective on passage and approval.

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8 **NEW SECTION. Section 3. Applicability.** [This act] applies to permit fees charged on or after June
9 30, 2005.

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